

To Members of the California State Senate:

I am returning Senate Bill 18 without my signature.

This bill would require the expenditure of funds from the 2006 education bond in order to fund labor compliance programs run by either the awarding body or a third party.

A recent report by the Legislative Analyst Office detailed the problems with using labor compliance programs to enforce prevailing wage law. These programs are expensive and have generated a paltry number of complaints and violations. This measure fails to address any of the problems raised in the report but instead proposes to simply continue to fund these underachieving programs.

With the passage of the historic Strategic Growth Plan in 2006, some forty billion dollars worth of public works projects will be commenced in the coming years. It is imperative that we ensure this money is used in accordance with all applicable labor and prevailing wage laws. As such, we cannot rely on the failed enforcement schemes of the past. Rather, we must look at new ways to ensure every worker on every project is receiving the wages and benefits to which he or she is entitled. Although I cannot sign this measure, I am directing my Secretary of Labor and Workforce Development to work with all interested parties to achieve this goal.

Sincerely,

Arnold Schwarzenegger